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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

RECORDATION DIV. 19163-C  
SEP 1 1995 - 11 50 AM  
INTERSTATE COMMERCE COMMISSION

OF COUNSEL  
URBAN A. LESTER

LICENSING BRANCH

SEP 1 11 47 AM '95

RECEIVED  
OFFICE OF THE  
SECRETARY

September 1, 1995

Mr. Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) copies of an Assignment and Assumption Agreement, dated as of August 22, 1995, a secondary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The enclosed document relates to the Lease Agreement duly filed with the Commission under Recordation Number 19163.

The names and addresses of the parties to the enclosed document are:

Assignor: BA Leasing & Capital Corporation  
Four Embarcadero Center, Suite 1200  
San Francisco, California 94111

Assignee: Security Pacific Equipment Leasing, Inc.  
Four Embarcadero Center, Suite 1200  
San Francisco, California 94111

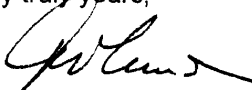
A description of the railroad equipment covered by the enclosed document is certain locomotives as set forth in the Lease Agreement originally filed.

Mr. Vernon A. Williams  
September 1, 1995  
Page 2

Also enclosed is a check in the amount of \$21.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

# ASSIGNMENT AND ASSUMPTION AGREEMENT

SEP 1 1995 -11 50 AM

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of August 22, 1995 (the "Agreement") is between BA Leasing & Capital Corporation, a California corporation ("Assignor") and Security Pacific Equipment Leasing, Inc., a Delaware corporation ("Assignee"). Capitalized terms used herein, not otherwise defined, shall have the meanings given to them in the Lease Agreement dated as of December 27, 1994 (the "Lease") between Assignor as Lessor and Arizona & California Railroad Company Limited Partnership, an Arizona limited partnership, as Lessee.

## RECITAL

Assignor wishes to assign, transfer, and convey to assignee, and Assignee wishes to receive and accept all of Assignor's right, title and interest in and to the Lease and the Units covered therein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

Section 1. Assignment of Interest. As of the date hereof, Assignor assigns, transfers and conveys to Assignee all its right, title and interest in, to and under the Lease and in and to the Units, reserving to Assignor (but not to the exclusion of Assignee) all of Assignor's rights as an Indemnified Person under the Lease and to be named as additional insured under Section 7 of the Lease. The rights so transferred are hereinafter called the "Lessor's Interest".

Section 2. Assumption of Liabilities. Assignee assumes all of the duties and obligations of Assignor hereafter accruing or arising incident to Lessor's Interest. Assignee confirms that as of the date hereof it shall be deemed a party of the Lease to which Assignor is a party, and Assignee agrees to be bound by all the terms therein, and to undertake all such obligations of Assignor contained therein arising after the date hereof.

Section 3. Miscellaneous. Each party to this Agreement shall execute and deliver such instruments, documents and other written information and take such other actions as the other party may reasonably require in order to carry out the intent of this Agreement. This Agreement and all the provisions hereof shall be binding upon and inure to the benefits of the parties hereto and their respective successors and assigns. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument. This in one of more counterparts, all of which taken together shall constitute one instrument. This Agreement shall be construed in accordance with the laws of California without regard to conflict of laws doctrine.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement.

BA LEASING & CAPITAL CORPORATION  
"Assignor"

By: [Signature]  
Title: Vice President  
By: [Signature]  
Title: Assistant Treasurer

Address: Four Embarcadero Center  
Suite 1200  
San Francisco, CA 94111

SECURITY PACIFIC EQUIPMENT LEASING, INC.  
"Assignee"

By: [Signature]  
Title: Vice President  
By: [Signature]  
Title: Assistant Treasurer

Address: Four Embarcadero Center  
Suite 1200  
San Francisco, CA 94111

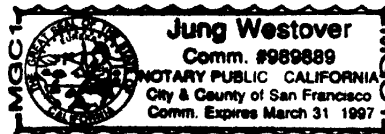
State of California )  
 ) SS.  
County of San Francisco )

BEFORE ME, the undersigned notary, on this day personally appeared Albert Z. Norona, to me personally known who, being by me duly sworn, says that he is a Vice President of **BA Leasing & Capital Corporation** ("Company"), that the above Assignment and Assumption Agreement ("Agreement") was as signed on behalf of the said Company by authority of its Board of Directors and he acknowledged that the execution of the foregoing Agreement was the free act and deed of the said Company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 31st day of August, 1995.

  
NOTARY PUBLIC

My Commission Expires:



=====  
State of California )  
 ) SS.  
County of San Francisco )

BEFORE ME, the undersigned notary, on this day personally appeared Albert Z. Norona, to me personally known who, being by me duly sworn, says that he is a Vice President of **Security Pacific Equipment Leasing, Inc.**, ("Company"), that the above Assignment and Assumption Agreement ("Agreement") was signed on behalf of the said Company by authority of its Board of Directors and he acknowledged that the execution of the foregoing Agreement was the free act and deed of the said Company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 31st day of August, 1995.

  
NOTARY PUBLIC

My Commission Expires:



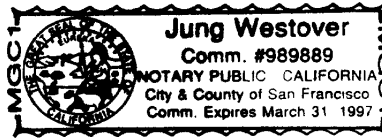
State of California )  
 ) SS.  
County of San Francisco )

BEFORE ME, the undersigned notary, on this day personally appeared Oscar E. Cruz, to me personally known who, being by me duly sworn, says that he is a Assistant Treasurer of BA Leasing & Capital Corporation ("Company"), that the above Assignment and Assumption Agreement ("Agreement") was as signed on behalf of the said Company by authority of its Board of Directors and he acknowledged that the execution of the foregoing Agreement was the free act and deed of the said Company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 31st day of August, 1995.

Jung Westover  
NOTARY PUBLIC

My Commission Expires:



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State of California )  
 ) SS.  
County of San Francisco )

BEFORE ME, the undersigned notary, on this day personally appeared Oscar E. Cruz, to me personally known who, being by me duly sworn, says that he is a Assistant Treasurer of Security Pacific Equipment Leasing, Inc., ("Company"), that the above Assignment and Assumption Agreement ("Agreement") was signed on behalf of the said Company by authority of its Board of Directors and he acknowledged that the execution of the foregoing Agreement was the free act and deed of the said Company.

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